



# MID-BARATARIA SEDIMENT DIVERSION

## CMAR Overview and Frequently Asked Questions

*September 2017*

---

### OVERVIEW – CONSTRUCTION MANAGEMENT AT RISK

#### PROJECT OVERVIEW

In 2000, the United States Army Corps of Engineers (USACE) and State of Louisiana initiated the LCA Ecosystem Restoration Study to address Louisiana's severe coastal land loss problem. Culminating in 2004 with a programmatic level main report and Environmental Impact Statement (EIS), the LCA Study recommended the Medium Diversion at Myrtle Grove project as one of 5 restoration projects identified as 'near-term critical restoration features.' The LCA project was de-authorized, but the project concept moved forward to detailed Engineering and Design under the direction of the Coastal Protection and Restoration Authority (CPRA) and the Mid-Barataria Sediment Diversion Project was initiated.

The Mid-Barataria Sediment Diversion Project was recommended and unanimously approved by the Louisiana Legislature in both the 2012 and 2017 Coastal Master Plans. The project is located at River Mile 60.7 above Head of Passes on the West descending bank of the Mississippi River and is expected to restore significant habitat in the Barataria Basin, including fresh, intermediate, and brackish marshes by re-introducing the sediment and nutrients which historically built and maintained the affected area.

In 2014, CPRA received deliverables and other supporting documentation for a conceptual level design of the site/civil features, road, bridges, intake and back structures as well as the utilities infrastructure for the Mid-Barataria Sediment Diversion. CPRA is currently negotiating a contract with a consultant Design Team to advance this design to construction.

#### SELECTING THE PROJECT DELIVERY METHOD

CPRA evaluated the applicability of numerous delivery methods to deliver this critical project, including Design-Bid-Build (DBB), Fixed Price Design-Build (FPDB), Progressive Design-Build (PDB) and Construction Management at Risk (CMAR). In addition, CPRA conducted an industry-wide Market Sounding to obtain feedback on potential interest and participation for this project. Lastly, CPRA conducted a thorough review of the Public Bid Law (La. R.S. Title 38) and CPRA's enabling legislation (La. R.S. 49:214) to determine what delivery method was allowed under the State of Louisiana laws. It was determined that CMAR was the top ranked and most suitable delivery method to deliver the Mid-Barataria Sediment Diversion project.

#### CONSTRUCTION MANAGEMENT AT RISK DELIVERY METHOD

CMAR evolved from traditional DBB delivery as a method that overlaps the design and construction phases of a project with the goal of obtaining significant constructability and costing input during the design phase. CMAR is best utilized when the owner wishes to obtain early knowledge of construction cost, constructability input, and scope management during the design phase.

In CMAR, the owner contracts separately with a designer and a general contractor. Both parties are selected using a qualifications-based selection process. Depending on the requirements of the specific solicitation and contract, the CMAR contractor may self-perform all of the construction work or may perform a portion of the work with select qualified subcontractors performing the balance of work.

The CMAR contractor is required to provide Pre-Construction Phase Services (construction phasing, scope management, constructability input, and progressive estimating) during the design phase and to act as a true general contractor during the construction phase.

During the final design phase the CMAR contractor develops and negotiates a Guaranteed Maximum Price (GMP) for the construction phase of the project. The GMP is not exceeded unless the owner issues a change order for scope changes or differing site conditions.

---

## FREQUENTLY ASKED QUESTIONS

**1. *Where can I find a description of the project?***

Information on the Mid-Barataria Sediment Diversion can be found here:

<http://coastal.la.gov/our-work/key-initiatives/diversion-program/>

**2. *What is the overall schedule for this project?***

CPRA is currently re-evaluating the entire project schedule based on recent schedule modifications to the EIS and NEPA components of the projects. Once this evaluation is complete, a revised schedule will be posted.

**3. *How will this project be funded?***

CPRA is currently funding the pre-construction phase of the Mid-Barataria Sediment Diversion through the *Deepwater Horizon* (DWH) oil spill criminal settlement funds overseen by the National Fish and Wildlife Foundation (NFWF). CPRA proposes to construct the project with the use of the DWH Natural Resource Damage funds, which are part of the global settlement between BP and the federal and state DWH natural resource trustees and approved by a federal court in April 2016.

**4. *How will a CMAR contractor be selected?***

In 2014, the State of Louisiana added CMAR legislation to its Public Bid Law (RS 38:2225.2.4: <http://legis.la.gov/legis/Law.aspx?d=919372> ). According to this statute, selection of a CMAR contractor shall be qualifications-based. CPRA will issue a Request for Qualifications (RFQ) that will include selection criteria such as experience, capability, and capacity pertaining to projects of this nature.

**5. It was previously mentioned that the CMAR Request for Qualifications (RFQ) advertisement would occur in August 2017. Why has this advertisement been delayed? Is there a new estimated date for the CMAR RFQ advertisement?**

An initial examination of the schedules for the E&D advertisement, E&D selection, and Basis of Design (BOD) phase revealed that the appropriate date for the advertisement of the CMAR RFQ was late August 2017. For this schedule to hold, the following initial assumptions were made:

- The E&D RSIQ would be advertised in March 2017
- The selection of the E&D Team would be made in June 2017
- The NTP for the E&D contract would be in August 2017

For various reasons, several of these schedule items did not occur on the anticipated dates. Therefore, the originally proposed CMAR RFQ advertisement date of late August 2017 is no longer possible. Currently, CPRA is finalizing the RFQ solicitation package with a planned advertisement date of December 1<sup>st</sup>, 2017. Working in close coordination with the EIS schedule and progress of the E&D BOD phase, it is CPRA's objective to time the integration and involvement of the selected CMAR contractor to maximize productivity of the contractor's collaborative input and limit periods of downtime.

**6. How can the RFQ be obtained?**

The RFQ will likely be posted on CPRA's website at the following link:

<http://coastal.la.gov/resources/rfps-rsiqs-contracts/>

**7. What will be the CMAR's role in the pre-construction phase of the project?**

A detailed scope of services for pre-construction phase is currently being developed and will be included in the RFQ. At a minimum, it will likely include scope management, cost estimating, constructability input, value engineering and guaranteed maximum price development.

**8. Is there anything we should be doing right now to prequalify with CPRA?**

No. The CMAR laws in Louisiana do not require a pre-qualification step.

**9. Will there be an informational meeting for prospective proposers?**

On June 15, 2017, CPRA held an initial informational meeting to brief prospective proposers on the Mid-Barataria Sediment Diversion project and the CMAR model. CPRA is currently planning a second informational meeting to provide additional details on the scope and RFQ, including the revised schedule. Information on this meeting will be distributed via email and posted to the CPRA website.

**10. Will CPRA require the CMAR contractor to self-perform any work on this project? If so what level of self-performance will be stipulated in the contract?**

At this time, self-performance will be a requirement for the construction contract. CPRA has determined that a minimum self-performance level of 30% and maximum self-performance level of 70% is appropriate for this project.

**11. What is the estimated construction value for this project?**

The present day cost of the project is \$850M. When escalated to the mid-point of the construction phase, the cost increases to approximately \$1.3 Billion (including contingencies).

**12. Will joint venture partners be allowed to pursue this project?**

Yes.

**13. Will CPRA require the proposer to be a Louisiana registered heavy civil contractor to be able to bid on this project?**

All proposers shall be a licensed general contractor in the state of Louisiana at the time of proposal submission.

**14. The law states that if the State and the CMAR contractor cannot reach a GMP then the project shall be re-advertised and publicly bid utilizing the design-bid-build delivery method. Will the CMAR contractor be allowed to bid on the project under this scenario?**

Yes.